

SOUTHERN CALIFORNIA PIPE TRADES HEALTH & WELFARE FUND

(Active Plan)

SUPPLEMENT No. 20

To: All Participants
From: Board of Trustees
Date: February 2016
Re: No Assignment of Benefits

KEEP THIS NOTICE WITH THE SUMMARY PLAN DESCRIPTION

Effective March 1, 2016, the Board of Trustees of the Health & Welfare Fund (Active Plan) has amended the Plan to replace Summary Plan Description Section 21(N) with the following:

No Assignment of Benefits

No one, including, but not limited to, a Participant or an Eligible Dependent, is permitted to assign any benefits, rights or claims for benefits to any third party including, but not limited to, a provider or facility, without the express written consent of the Plan Administrator. "Benefits, rights or claims for benefits" includes, but is not limited to, a claim for payment of a benefit under the terms of the Summary Plan Description or other Plan document or communication, a claim for benefits under Section 502(a) of ERISA, a claim under ERISA for breach of fiduciary duty, or a claim for penalties assessable under law or regulation.

A Participant or an Eligible Dependent may direct that benefits payable from this Plan to him or her instead be paid to the provider or facility that provided the related medical care. However, the Plan is not obligated to accept such direction, and no payment made pursuant to such direction, nor any communication about benefits or payment between representatives of the Plan and a provider or facility, shall be considered an assignment of the benefit, a contract to pay benefits or a recognition by the Plan of a duty or obligation to pay a provider or facility, except to the extent the Plan actually chooses to do so.

In addition, the following provisions that reference assignments have been revised as follows:

- The first two paragraphs in Section 14(A) have been revised as follows:

A) How to File a Medical, Dental, Prescription or Vision Claim for Payment

In order for the Fund to pay a benefit, the Fund's claims procedures must be followed.

A written claim form and an itemized billing must be filed with the Fund by the Patient or provider.

Requests for a determination as to whether a person is eligible for benefits will not be considered a claim under these procedures. Casual inquiries about benefits or the circumstances under which benefits might be paid and requests for pre-authorizations are also not claims under these procedures.

- The statement in the box in Section 14(A) at the bottom of the first column on page 73 has been revised as follows:

When the provider has a contract with Blue Shield of California, payment will generally be made to the provider even if the Participant or Eligible Dependent requests otherwise.

- The following sentence in Section 14(A) found after the first paragraph in the second column on page 73 has been deleted.

Assignment of benefits are directions from the Patient to pay the provider of service.

This Southern California Pipe Trades Health & Welfare Fund believes this Plan is a “grandfathered health plan” under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your Plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the Trust Fund Office administrator at (800) 595-7473. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.